

J.P.Morgan

_____, 2013

Successor Agency to the Redevelopment Agency
of the City of San José, as successor to the
Redevelopment Agency of the City of San José
200 East Santa Clara Street, 13th Fl
San José, California 95113
Attention: Peter Detlefs, Debt Administrator

Ladies and Gentlemen:

Reference is made to (i) the Amended and Restated Reimbursement Agreement, dated as of _____, 2013 (the “**Agreement**”), between JPMorgan Chase Bank, N.A. (the “**Bank**”) and the Successor Agency to the Redevelopment Agency of the City of San José, as successor to the Redevelopment Agency of the City of San José (the “**Successor Agency**”), and (ii) the letter agreement regarding fees and expenses dated as of June 6, 2012, between the Bank and the Successor Agency (the “**Existing Fee Letter**”). Any capitalized term below that is defined in the Agreement shall have the same meaning when used herein. This letter agreement (this “**Fee Letter**”) amends and restates the Existing Fee Letter in its entirety. This letter is the Fee Letter described in the Agreement.

In consideration of the extension by the Bank of stated termination date of the Letters of Credit, the Successor Agency agrees to make the following payments to the Bank at the following times:

(1) A facility fee (the “**Facility Fee**”) in respect of each Letter of Credit from and including the date of this Fee Letter to and including the Expiration Date of such Letter of Credit, which Facility Fee shall be payable in arrears on each March 31, June 30, September 30 and December 31 of each calendar year, commencing on March 31, 2013, and on the Expiration Date of such Letter of Credit.

The Facility Fee in respect of a Letter of Credit for each day during a calculation period (the “**Daily Facility Fee**”) shall be equal to the product of, (i) in the case of Bonds supported by such Letter of Credit as to which the Liquidity Coverage Ratio Surcharge does not apply for such day, (a) (I) if no Rating Event (as defined below) or Event of Default has occurred and is continuing, 0.0280 (2.8% per annum), (II) if either a Rating Event or an Event of Default has occurred and is continuing, 0.0430 (4.3% per annum) or (III) if both a Rating Event and an Event of Default have occurred and are continuing, 0.0580 (5.8% per annum), (b) the Face Amount of such Letter of Credit for such day allocable to such Bonds and (c) a fraction, the numerator of which is 1, and the denominator of which is 360, and (ii) in the case of Bonds supported by such Letter of Credit as to which the Liquidity Coverage Ratio Surcharge does apply for such day, (a) (I) if no Rating Event (as defined below) or Event of Default has occurred and is continuing, 0.0355 (3.55% per annum), (II) if either a Rating Event or an Event of Default has occurred and is continuing, 0.0505 (5.05% per annum) or (III) if both a Rating Event and an Event of Default have occurred and are continuing, 0.0655 (6.55% per annum), (b) the Face Amount of such Letter of Credit for such day allocable to such Bonds and (c) a fraction, the numerator of which is 1, and the denominator of which is 360. The Facility Fee in respect of a Letter of Credit for a calculation period shall be the sum of the Daily Facility Fee in respect of such Letter of Credit for each day during such calculation Period. The Facility Fee in respect of all Letters of Credit for a calculation period shall be the sum of the Daily Facility Fee in respect of all Letters of Credit for each day during such calculation Period.

Fees for the Letters of Credit for any period prior to the date of this Fee Letter shall be calculated in accordance with the terms of the Existing Fee Letter.

The “**Liquidity Coverage Ratio Surcharge**” shall apply (i) to those Bonds in the Flexible Rate mode on each day during the period commencing 30 days prior to the day immediately succeeding the last day of the then current Interest Rate Period for such Bonds and/or (ii) to all Bonds in a Flexible Rate mode that are the subject of a Remarketing Agreement in the event the Successor Agency defaults in the performance of its agreement to provide or cause to be provided to the Remarketing Agent for those Bonds each day (i) the Flexible Rate Periods and their respective scheduled mandatory tender dates, (ii) the CUSIP number for each such Flexible Rate Period, (iii) the principal amount of Bonds for each such Flexible Rate Period, (iv) each date of remarketing/settlement of such Bonds, (v) the first day a directed mandatory tender can occur with respect to each Flexible Rate Period and (vi) the first day a notice of a directed mandatory tender can be delivered with respect to each Flexible Rate Period.

As used herein, the term “**Face Amount**” as it relates to a Letter of Credit has the meaning given to such term in such Letter of Credit. As used herein, the term “**Rating Event**” means the withdrawal, suspension or unavailability of two of the three long-term unenhanced ratings assigned by Fitch, Moody’s and Standard & Poor’s, respectively, to the Senior Obligations that include a cash funded debt service reserve account (without regard to credit enhancement or bond insurance).

(2) In the event any Letter of Credit is terminated or the Face Amount of any Letter of Credit is permanently reduced (other than as a result of (x) mandatory sinking fund redemption payments or (y) redemption payments resulting from the disposition of Pledged Properties) prior to the Stated Termination Date (as defined in such Letter of Credit) of such Letter of Credit, the Successor Agency shall pay the Bank a fee (the “**Make Whole Fee**”) on the date of termination or permanent reduction equal to the Facility Fee that would have been payable to the Bank pursuant to preceding paragraph (1) but for the termination or permanent reduction for the period from and including the date on which such Letter of Credit is terminated or the Face Amount of such Letter of Credit is permanently reduced to and including the Stated Termination Date of such Letter of Credit assuming (A) a Daily Facility Fee rate equal to the fraction (expressed as a decimal) determined in accordance with clause (i) or paragraph (1) above in effect immediately prior to the date on which the Letter of Credit is terminated or the Face Amount is permanently reduced; and (B) the Face Amount is fully reinstated (*i.e.*, at its maximum amount) immediately prior to the date on which such Letter of Credit is terminated or the Face Amount is permanently reduced; provided, however, that the Make Whole Fee shall not be payable if (i) two of the three short-term ratings of the Bank are below a level of “F1” by Fitch, “P-1” by Moody’s or “A-1” by Standard & Poor’s, respectively, or (ii) the rate of interest on the Bonds secured by such Letter of Credit is converted to a fixed rate or another interest rate mode that does not require a credit facility, liquidity facility or involve a direct purchase by a bank or other financial institution. The Successor Agency shall provide the Bank with not less than 30 day’s prior written notice of the termination (other than by expiration of time) of any Letter of Credit or the permanent reduction (other than as a result of mandatory sinking fund redemption payments) of the Face Amount of any Letter of Credit.

(3) A draw fee of \$250 for each drawing presented under a Letter of Credit, payable on each Business Day on which the Bank pays the amount requested in such drawing.

(4) At the time of any transfer of a Letter of Credit completed at the sole discretion of the Successor Agency and not otherwise required by law, a fee of \$3,000 plus reasonable attorneys’ fees and expenses.

(5) At the time of any non-complex amendment, supplement or modification of the Agreement or any Related Document, a fee of \$3,000 plus reasonable attorneys’ fees and expenses;

provided, however, that no such fee shall be payable if such amendment, supplement or modification relates solely to an extension of any Letter of Credit (for the avoidance of doubt, reasonable attorneys' fees and expenses shall be payable in respect of any such extension). Fees for complex amendments, supplements or modifications of the Agreement or any Related Document shall be negotiated on a case-by-case basis.

(6) At the time the Successor Agency requests a waiver, or seeks the Bank's consent to a waiver, of any provision of the Agreement or any Related Document, such fee as the Bank may determine in its sole discretion, plus reasonable attorneys' fees and expenses.

(7) On the Closing Date, the fees and expenses of White & Case LLP, counsel to the Bank, in amount not to exceed \$40,000.

All amounts paid pursuant to this Fee Letter shall be non-refundable. Any determination of the Daily Facility Fee, the Facility Fee or the Make Whole Fee by the Bank shall be conclusive absent manifest error.

All payments to be made by the Successor Agency to the Bank pursuant to this Fee Letter shall be made in the manner and at the times set forth in the Agreement. All rights of the Bank under the Agreement relating to late payments, net payments, gross ups, increased costs, loss of return and indemnification shall apply to this Fee Letter and the Successor Agency's obligations hereunder and shall be incorporated herein *mutatis mutandis*.

This Fee Letter may not be amended or waived except by an instrument in writing signed by the Bank and the Successor Agency.

This Fee Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed signature page of this Fee Letter by electronic transmission shall be effective as delivery of a manually executed counterpart hereof.

This Fee Letter is subject to the provisions of Section 7.3 of the Agreement.

The Bank acknowledges that this Fee Letter must be approved by the Successor Agency's governing body and the oversight board for the Successor Agency and, as a result, this Fee Letter will be included among the meeting agenda materials for the Successor Agency's governing board and the oversight board for the Successor Agency and will be available on the internet to the public.

[Remainder of page intentionally left blank.]

Please confirm that the foregoing is our mutual understanding by signing and returning to the Bank an executed counterpart of this Fee Letter. This Fee Letter shall become effective as of the date first above referenced upon our receipt of an executed counterpart of this Fee Letter from you.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By: _____
Name:
Title:

cc: Julia H. Cooper, Acting Director, City Finance Department
Richard Keit, Executive Officer, Successor Agency

Accepted and agreed to
as of the date first
written above by:

SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF SAN JOSE, as successor to the
REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

By: _____
Name: Julia H. Cooper
Title: Acting Director of Finance, City of San José

Approved as to Form:

By: _____
Chief Deputy City Attorney